

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

RLI INSURANCE COMPANY	:	
9025 N. LINDBERGH DRIVE	:	
PEORIA, IL 61615-1431	:	
:		
Plaintiff,	:	
:		
vs.	:	CIVIL ACTION
:		
INDIAN RIVER SCHOOL DISTRICT	:	NO. 05 858 JJF
31 HOOSIER STREET SELBYVILLE,	:	
DE 19975	:	
:		
and	:	
:		
EDIS COMPANY	:	JURY TRIAL DEMANDED
110 S. POPLAR STREET	:	
WILMINGTON, DE 19805	:	
:		
and	:	
:		
BECKER MORGAN GROUP, INC.	:	
309 SOUTH GOVERNORS AVENUE	:	
DOVER, DE 19904	:	
Defendants.	:	

INITIAL DISCLOSURES PURSUANT TO F.R.C.P. 26(a)(1)

Now comes, Plaintiff RLI Insurance Company (“RLI”), by and through its undersigned attorneys, and pursuant to F.R.C.P. 26(a)(1) and D.Del LR 16.2 makes Initial Self- Disclosures as follows:

(A) Individuals

Pursuant to F.R.C.P. 26 (a)(1)(A), the following individuals are likely to have discoverable information that the disclosing party may use to support its claims:

1. Timothy E. Winship, Esquire is an agent of Plaintiff and may be contacted through undersigned counsel;

Director - Surety Claims
RLI Surety
9025 N. Lindbergh Drive
Peoria, IL 61615

2. Gregory C. Weer, Construction Project Manager from Indian River School District;

Supervisor of Building & Grounds
31 Hoosier Street
R.D.2, Box 156
Selbyville, DE 19975

3. Brad A. Hastings, AIA, Becker Morgan Group Inc.;

312 West Main Street, Suite 300
Salisbury, MD 21801

4. Christian J. McCone, Project Manager from EDIS;

110 S. Popular Street
Suite 400
P.O. Box 2697
Wilmington, DE 19805

5. Joseph M. Zimmer, Inc., contractors;

Joseph M. Zimmer, Jr.
2225 Northwood Dr.
Salisbury, MD 21801

6. Mr. Louis M. Baldassarre

Senior Project Manager
Cashin Spinelli & Ferretti, LLC
1515 DeKalb Pike
Blue Bell, PA 19422

7. David S. Berry, Esquire

Sr. Bond Claims Analyst

RLI Surety

9025 N. Lindbergh Drive

Peoria, IL 61615

8. William H. McDaniel
205 Old Churchmans Road
New Castle, Delaware 19720

9. Defendants

(B) Documents

Pursuant to F.R.C.P. 26 (a)(1)(B), the disclosing parties may use the following documents, data compilations and things to support its claims:

1. The written Standard AIA Form Contract, captioned "Standard Form of Agreement Between Owner and Contractor for a Stipulated Sum," between Indian River School District and McDaniel Plumbing & Heating, Inc. for mechanical, plumbing, and automatic temperature control at Sussex Central High School, located in Georgetown, Delaware. A true and correct copy of the contract is attached hereto as Exhibit "1."

2. Performance and Payment Bond SSB 365 837, a true and correct copy of which is attached hereto as Exhibit "2."

3. Brad Hasting's letter of October 11, 2004 to Gregory C. Weer, a true and correct copy of which is attached hereto as Exhibit "3."

4. Gregory C. Weer's letter of October 11, 2004 to William McDaniel, a true and correct copy of which is attached hereto as Exhibit "4."

5. Efforts to locate additional, data compilations and things which Plaintiff RLI may

use to support its claims are ongoing and Plaintiff RLI's discovery responses will be supplemented as required.

(C) Damages

Pursuant to F.R.C.P. 26(a)(1)(c), the following is a computation of damages claimed by Plaintiff RLI and documents upon which such computation is based;

1. Though damages continue to rise as the instant litigation proceeds, at last calculation, Plaintiff RLI's damages were \$897,837.32.
2. The computation of damages claimed is based upon the following documents:
 - (i) Amounts paid out by Plaintiff RLI;
 - (ii) Costs of additional investigation, legal counsel, costs, and claims; and
 - (iii) Losses incurred by Plaintiff RLI.
3. Efforts to locate additional documents, upon which the computation of damages claimed is based, are ongoing and Plaintiff RLI's discovery responses will be supplemented as required.

ABER, GOLDLUST, BAKER & OVER

/s/ Perry F. Goldlust (DSB #770)
 PERRY F. GOLDLUST (DSB #770)
 702 King Street, Suite 600
 P. O. Box 1675
 Wilmington, DE 19899-1675
 (302) 472-4900
pgoldlust@gablawde.com
 Attorneys for Plaintiff RLI Insurance Company

DATED: August 31, 2006